

A GUIDELINE FOR WRITING A PROJECT PROPOSAL FOR THE DATA PROCESSING OVERSIGHT COMMISSION

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A GUIDELINE FOR WRITING A PROJECT PROPOSAL FOR THE DATA PROCESSING OVERSIGHT COMMISSION

The Data Processing Oversight Commission is charged with seeing that information technology is used to support and enhance the ability of agencies to deliver required services. Thus, each request for information processing goods and services submitted to DPOC must have a strong business case or justification and must be the most cost effective means of achieving the agency's mission. Communicating and justifying project proposals to DPOC has been a concern of many agencies. For this reason, DPOC staff has composed a list of issues that can be used as a guideline when drafting project requests needing DPOC action.**

****NOTE: THIS GUIDELINE CONTAINS ISSUES THAT SHOULD BE ADDRESSED WHEN PREPARING A PROJECT REQUEST. IT IS INTENDED TO SUPPLEMENT THE EXISTING DPOC FORMS USED WHEN SUBMITTING PROJECT PROPOSALS FOR DPOC REVIEW AND ACTION. THIS IS NOT A NEW FORM THAT MUST BE ANSWERED POINT BY POINT. CURRENTLY, MUCH OF THIS INFORMATION IS ALREADY INCLUDED IN WELL DRAFTED PROPOSALS.**

PROJECT DESCRIPTION

- Why is the project being submitted to DPOC for review? (i.e. state legislative mandate, federal government requirement, replacement, upgrade, cost reduction, enhanced productivity at a lower cost, improved service at a lower cost, etc.)
- What program is the project supporting?
- How does this project support the agency business plan?
- Description of the proposed system versus the current system or procedure.
- What business processes are being automated, if any?
- What provisions, within the scope of the project, have been made to improve or "re-engineer" business processes?

COSTS ASSOCIATED WITH PROJECT

- What is the funding source? (i.e., federal, state, mixed, if so what %, etc.)
- What is the availability of funds? Has the agency budget analyst been alerted of the project and funding requirements?
- What is the total life cycle cost associated with this project? (See Appendix A for a project life cycle cost worksheet.)
- What is the payback period for the project?

BENEFITS ASSOCIATED WITH PROJECT

- What are the tangible and intangible benefits of a successful implementation of the project? Tangible benefits, should be expressed in specific terms, such as "reduces the time required to issue a permit from 3 weeks to 1 day." Intangible benefits should be defined as they relate to the agency's mission and objectives, strategic business plan and strategic MIS plan.
- What are the cost savings? The cost savings should be in measurable terms such as, length of time, manhours,

dollars, etc.

- Is there a resale value of current equipment that will be displaced?
- What are the other cost displacements associated with this project?

CHANGE IMPACT

- What is the impact on the agency mission, programs and/or services if the project is not implemented?

DATA RETENTION

- Has the Commission on Public Records been consulted regarding any possible data retention schedule changes?
- Does the data retention schedule have approval from the Commission on Public Records?

OTHER ITEMS

- Does the proposed project comply with agency and emerging state guidelines?
- If equipment is being replaced or upgraded, what will be done with the current equipment, i.e. labeled as surplus, listed as excess or re-used within the agency?
- What viable alternatives have been investigated? Why is the proposed solution the best option? The analysis should include business and technical considerations.
- What is the confidence that the project can be implemented on schedule and within the proposed budget?
- What risks will be encountered with this project? Identify the risks and strategies taken to reduce the level of risk to the project, the agency and the State.
- What is the risk the project may fail? If the risk is high, what impact would delays or failure have on your agency and/or your clients?
- Has a project plan been prepared and, if applicable, is the agency prepared to assign a project manager to this project? (See the State of Indiana Information Processing Policies and Procedures Manual, Chapter 2, Appendix II on Project Management, for a description of the responsibilities of a project manager and suggestions on choosing a project manager.)
- Are minority vendors being notified of this project? If not, state why not. A current list of certified minority vendors is attached. Please contact the Minority Business Development, Department of Administration (232-3069) for updates as needed.

APPENDIX A PROJECT LIFE CYCLE COST WORKSHEET

[WORKSHEET](#) Graphics file (23k)

DESCRIPTION OF LIFE CYCLE COST ELEMENTS INCLUDED ON THE "PROJECT LIFE CYCLE COSTS WORKSHEET" ONE-TIME COSTS

ESTIMATED OPERATING COSTS

FIRST YEAR (12 MONTHS)

The costs for the first 12 months of operation of the system.

2ND YEAR & 3RD YEAR

The estimated costs for the second and third year of operation. This may include anticipated modifications, expansion, replacement, etc., along with the annual recurring costs.

 TH YEAR

The estimated costs of the last year of the project or system life cycle. All systems and projects will not have the same life cycle, agencies are asked to fill in the year as it applies.

LIFE CYCLE COST ELEMENTS

The elements included on this list will not apply to all projects. However, the cost elements listed here will cover a majority of the projects reviewed by DPOC. For further explanation, refer to the following descriptions.

EQUIPMENT

This category applies to all of the hardware or associated equipment in the project request. It is broken down into COMPUTER HARDWARE, NETWORK EQUIPMENT and SHARED PERIPHERALS, each may require one-time costs and any future acquisition costs over the life of the project. The element of EQUIPMENT -- MAINTENANCE is considered an annual cost and any costs should appear in the FIRST YEAR through ____th YEAR.

COMPUTER HARDWARE

Desktop and portable personal computers, mini computers, mainframe computers, terminals, etc.

NETWORK EQUIPMENT

Any equipment or hardware that will be used WITHIN the agency to provide electronic communication between users.

SHARED PERIPHERALS

Any equipment that will be shared by 2 or more users, i.e. printers, CD-ROM drives, scanners, etc. This does not include servers.

MAINTENANCE

The estimated costs to repair and routinely service the hardware and equipment listed above.

SERVICES (CONTRACT/ ISD)

Any costs not listed above that are associated with a service provided by an outside contractor or ISD. Attached to the figures should be a description of the services to be provided.

SOFTWARE

This category applies to any "purchased" or "shrink-wrapped software". This software is purchased and used as it is packaged, with no changes to the original code. Software that falls into this category are word processing applications, electronic mail packages, spreadsheet packages, presentation software, network operating systems, personal computer operating systems, etc. The list is not all inclusive, some packages on mid-range and mainframe computers are not included.

COMPUTER SOFTWARE

This is the initial cost of acquisition of the "purchased software". Over the life of the software, estimate the costs of any additional licenses needed to accommodate growth of the system.

SOFTWARE UPGRADE

Any upgrade costs in moving to a new version of the "purchased software" should be included in this area. The assumption here is that the initial purchase is the one-time cost that appears in COMPUTER SOFTWARE and any future plans to move to another version of the software will appear over the life cycle of the software under SOFTWARE UPGRADE.

MAINTENANCE OR RENEWAL

If the software vendor requires an annual maintenance fee or renewal fee to keep the software current, the costs associated over the life of the software should be included here.

TELECOMMUNICATIONS

This area applies to the communications requirements of the project OUTSIDE of the agency, i.e. campus backbone, agency wide area network, state wide area network, etc.

COMMUNICATIONS HARDWARE

Hardware and equipment for electronic connection and communication outside of the agency (i.e., WAN, campus backbone, state network, leased services, etc.)

COMMUNICATIONS SOFTWARE

Software that is needed to connect, manage and/or administer the communications hardware listed above.

CABLE & INSTALLATION CHARGES

Any costs to install hardware, software, wiring, and cabling for the telecommunications portion of the project.

LEASED SERVICES

Costs for leasing telecommunications services.

SERVICES (CONTRACT/ISD)

Any costs not listed above that are associated with a service provided by an outside contractor or ISD. Attached to the figures should be a description of the services to be provided.

TRAINING

For the project, any internal training costs for users, administrators, systems personnel, or other training required over the life of the system should be listed here. The life cycle costs should include estimates that accommodate employee turnover, expansion of system, and software or hardware upgrades. Additional items that would be helpful in reviewing projects are: a plan for training, course descriptions, pre- and post-test evaluations of user skills, description of the facilities, etc.

SERVICES (CONTRACT/ISD)

Any costs not listed above that are associated with a service provided by an outside contractor or IDOA-ISD. Attached to the figures should be a description of the services to be provided.

REENGINEERING

Business Process Reengineering should be the first step in any major application development project, major application modification project or a major system installation or expansion. All internal agency costs associated with the business process reengineering portion of the project should be recorded here. Over the life of the project an estimate of the costs to regularly review the process or processes should be calculated.

SERVICES (CONTRACT/ISD)

Any costs not listed above that are associated with a service provided by an outside contractor or IDOA-ISD. Attached to the figures should be a description of the services to be provided.

APPLICATION DELIVERY

Any software that is developed in-house or by a contractor and completely customized to the requirements of the agency, or a packaged software application that is modified to meet requirements, would fall into this category.

APPLICATION DESIGN

The estimated costs for the design of the application as figured in the Step 2/Step 3 process.

APPLICATION DEVELOPMENT

The estimated costs for developing the application. This would include personnel costs and costs for computing resources.

APPLICATION IMPLEMENTATION

All costs for implementing the application. This DOES NOT include training, see IV. TRAINING for details.

APPLICATION TESTING

The estimated costs for testing the application. Attached to the figures should be a brief description of the testing plan.

SOFTWARE ACQUISITION

The initial purchase of a software package that is to be **MODIFIED** to meet the requirements of the project. This **DOES NOT** apply to shrink-wrapped packages, such as a PC wordprocessing package (see II. **SOFTWARE** for details).

SOFTWARE MAINTENANCE

Any costs associated with keeping the application running smoothly and making the necessary enhancements and changes required to meet agency needs. The costs estimated here should be annual costs and will appear during the first year of operation and each subsequent year.

SERVICES (CONTRACT/ISD)

Any costs not listed above that are associated with a service provided by an outside contractor or IDOA-ISD. Attached to the figures should be a description of the services to be provided.

AGENCY PERSONNEL

This row is for any additional agency personnel costs that do not appear in the above areas. Attached to the figures should be a description of how agency personnel resources will be used.

ISD CHARGES

The charges from IDOA-ISD that do not appear in any of the above categories, i.e. mainframe usage, supplies for printing, etc.

OTHER

All other costs that do not appear in the above areas but are associated with the project, including project management. Attached to the figures should be a description of the services as they apply.

TOTALS

Calculate the total costs for each column and record here.

ONE-TIME and FIRST YEAR COSTS

This is the calculation that is currently used by the Data Processing Oversight Commission to determine delegation authority for the DPOC Chairperson. To maintain continuity with the previous process this calculation will continue to be the project cost reviewed and approved.

TOTAL LIFE CYCLE COSTS

This calculation will be an estimate of the total project cost. Project approval will not be extended to include the total life cycle cost of the project because of the uncertainty of the estimated figures beyond the first year. To determine the Total Life Cycle Costs (TLCC), add the ONE-TIME COSTS, ESTIMATED OPERATING COSTS FOR THE FIRST YEAR, 2ND YEAR, 3RD YEAR, . . . , and ____TH YEAR. The TLCC of projects will provide valuable data during budget planning for the year and the biennium.

GUIDELINES FOR

PORTABLE PERSONAL COMPUTERS

As is the case for the purchase of any technology subject to the Data Processing Oversight Commission approval, a business case for the acquisition of a portable computer (including laptops, notebooks and palmtops) must be made.

The guidelines listed here are categorized by application of the portable personal computer and the type of purchase. The types of purchases have been limited to two: a purchase for an individual **EMPLOYEE** and a purchase for an

AGENCY.

These portable computer guidelines include the business uses for portable personal computers that are commonly approved. This list is not inclusive of every business use for portable computing, however; it does include those areas that are routinely reviewed and approved by the Data Processing Oversight Commission and the State Budget Agency. If your agency business requires a portable personal computer to support a business use beyond those listed below, the request will be reviewed on a case by case basis and may be approved by the appropriate parties, Data Processing Oversight Commission and the State Budget Agency.

COMMON USES OF PORTABLE PERSONAL COMPUTERS DESKTOP ALTERNATIVE PERSONAL COMPUTER

Applies to an EMPLOYEE purchase type. An employee's job description, responsibilities and workload require a personal computer. The solution, that best meets the needs of the employee and the agency, is providing a portable personal computer for the employee. NOTE: Additional equipment (i.e., docking station, port replicator, monitor, external keyboard, external keypad, ethernet card/adaptor, token ring card/adaptor, modem, etc.) may be purchased to provide the additional functionality of a desktop personal computer.

FIELD STAFF

Applies to an EMPLOYEE purchase type. An employee's job description and responsibilities require that the employee is routinely expected to be away from the office and the employee requires computing power during the time away from the office to fulfill responsibilities.

MAINTENANCE NEEDS

Applies to an AGENCY purchase type. The portable personal computer will be used as a tool for maintaining equipment and/or software. Example uses are: Local and Wide Area network troubleshooting and maintenance, HVAC equipment troubleshooting and maintenance, and/or telecommunications equipment troubleshooting and maintenance.

TRAINING

Applies to an AGENCY purchase type. The portable personal computer will be used as a tool for training agency employees.

SPARE PORTABLE PERSONAL COMPUTERS

Applies to an AGENCY purchase type. A significant portion of the agency's employees are field staff requiring portable personal computers to perform required work. Since portable personal computers will breakdown, having an available portable to replace equipment that is being repaired will keep employee's productivity up. NOTE: Spare portable personal computers should be used in other business functions within the agency during the times when not being used by field staff as a "loaner" until the user's portable is repaired.

SPECIAL PROJECTS

Applies to an AGENCY purchase type.

1. Agency has a business case for using a portable personal computer for agency or department use to be available for special projects. A special project might include, but not be limited to, marketing of services available from agency or use by agency employees for conferences, seminars, or classes.
2. Agency has employees who perform specific significant duties away from the normal working area at the request of the agency head.

PUBLIC/EMPLOYEE SAFETY

Applies to an EMPLOYEE and/or AGENCY purchase type. The portable personal computer will be used in the maintenance of public and/or employee safety.

EMERGENCY SERVICES

Applies to an EMPLOYEE and/or AGENCY purchase type. The portable personal computer will be used in the coordination of emergency services.
